

Not Pentel DAC

MELE B

also need to get to Steve V.
2 DAC. More cost tabulation
for 1996 only:

65,000

Video Film 12,000

RAMS 77,000

225,000

MOA 250,000

Tooling 53,000
w/ 350 gus
Transmittance
150 gus

needed by noon Tue

thanks
JD

May 24, 1996

Mr. Dan Summers
MCDONNELL DOUGLAS CORPORATION
Mail Code: 100-1240
P.O. Box 516
St. Louis, MO 63166

Re: Torrance Remediation

Dear Dan:

Thanks for the very thoughtful, risk assessment discussion with John Van Gels and Mike Cave earlier this week. In reviewing the big picture, so much is riding on these environmental decisions and costs (35%-50% of sales value!!) that we need to have you and Bob Tomko work with us to challenge the consultants to find the most cost-effective methodology for remediation at each stage.

We know that Jim Ross of RWQCB is a pretty creative bureaucrat perhaps even willing to bend risk assessment standards to achieve broader coverage in the bigger picture. It appears that we have a unique opportunity.

We are very concerned that the proposed \$19M water pump and treat system (while safe and acceptable) is old technology that once undertaken, locks us into at least 30 years of big expenses. Obviously, the consultants love this type of annuity!!

It seems prudent to have at least a peer review or second opinion, from at least one or two "outside firms" that have recent experience with risk assessment on projects of this type and scope and a good working relationship with Jim Ross of RWQCB. We might also try to get input from Jim Ross and a couple of contractors. Allan Mackenzie tells us he's worked with Integrated Environmental Services (Michael Young) on a similar recent oil refinery project with similar (or worse) contaminants through Jim Ross that was completed in a 3 year period for a fraction of the costs we have budgeted.

While we recognize your desire to use only proven methodology, we'd be willing to risk a few consultant fees to explore the latest technology and challenge, Montgomery Watson to come up with a more cost-effective method acceptable to RWQCB. Let's talk about "if" and how to do this. Thanks for your consideration.

Sincerely,

MCDONNELL DOUGLAS REALTY COMPANY

Thomas A. Overturf
Vice President, Development

TAO:kk KKTO1753

cc: Bob Tomko

Communications
System

146,600

Communications
Facilities
Costs

12,580